UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8



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Ref: 8P-AR

SEP 2 5 2008

Brian Gustafson, PE Administrator Air Quality Program Department of Environment and Natural Resources Division of Environmental Services 523 East Capitol, Joe Foss Building Pierre, South Dakota 57501 SEP 29 2008
AIR QUALITY
PROGRAM

Re: Request for Extension of Comment Period for Hyperion Energy Center Permit

Dear Mr. Gustafson:

Thank you for submitting copies of Hyperion Energy Center's public notice, statement of basis, and draft Prevention of Significant Deterioration (PSD) permit issued by South Dakota Department of Environment and Natural Resources (SD-DENR) to Hyperion Refining, LLC for EPA's review. The permit action authorizes Hyperion Refining LLC to construct the Hyperion Energy Center (HEC), near Elk Point, Union County, South Dakota.

The proposed HEC will be comprised of a new 400,000 barrels per day crude oil petroleum refinery and an Integrated Gasification Combined Cycle (IGCC) power plant with gross power output of 532 MW. The power plant will supply the refinery with hydrogen, electric power, and steam for its operation. EPA received the package on September 16, 2008. According to the cover letter that we received with the package, the public notice period for comments on the draft permit ends on October 13, 2008.

The purpose of this letter is to request a thirty-day extension of the public notice comment period for all commenters for the proposed PSD permit for the HEC facility. EPA is requesting this extension because of the unique configuration of this large and complex facility that would be comprised of a refinery and an IGCC plant. As you know, the permitting of a new 400,000 barrels per day crude oil refinery or an IGCC plant with gross power output of 532 MW by itself would have raised many potential complex issues that need to be reviewed carefully by the EPA. These potential issues are now further complicated by this special configuration and the interrelatedness of both operations. Therefore, EPA requests additional thirty-days for all commenters to review this draft PSD permit and the related documents. The public notice comment period, if extended as requested, will end on Thursday, November 13, 2008.

Thank you for your consideration of this request.

Cc: Kyrik Rhombough

Sincerely,

Callie A. Videtich, Director Air & Radiation Program

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